(b) the number of indigenous and foreign companies which have shown interest for construction work in defence production sector; and

(c) the number of companies which have been allowed entry in defence production sector by Government so far?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) 14 applications have been received by Ministry of Defence through Department of Industrial Policy & Promotion (DIPP) for grant of industrial licence for manufacture of vaious types of defence equipment till date.

(b) No formal proposal for construction work in defence production sector has so far been received.

(c) The Department of Industrial Policy & Promotion (DIPP) has issued Six Letters of Intent for manufacture of various types of defence equipment, in consultation with Ministry of Defence to three companies, so far.

Operationalisation of LCA

1413. SHRIMATI N.P. DURGA: Will the Minister of DEFENCE be pleased to state:

(a) when the light combat aircraft will be made operational in Indian Air Force;

(b) when the project for this aircraft was launched;

(c) the reasons for delay; and

(d) other details in this regard?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Initial Operational Clearance (IOC) of indigenous Light Combat Aircraft (LCA) will be obtained for induction in Indian Air Force by year 2005-2006 and Final Operational Clearance (FOC) by 2008.

(b) Various phases of development of LCA were accorded sanction by the Government as under:

Initial sanction	- August 1983.
Phase 1 Full Scale Engineering Development (FSED)	- June 1993.
Phase 2 FSED	- November 2001.

(c) Development delays are attributable to technological difficulties, non availability of infrastructure, revision of development strategy by increasing indigenous content and US sanctions imposed in May 1998.

(d) LCA incorporates State-of-the-Art technologies. Flight Test Programme is being accelerated through efficient use of software and by resorting to multiple shift operations. Time schedule of production phase has been compressed by dovetailing Limited Series Production (LSP) with Flight Test Phase.

Request by Karnataka Government to reduce share in respect of Modernisation of Police Scheme

1414. SHRI K.B. KRISHNA MURTHY: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government are aware that Karnataka has been fully and effectively utilizing the modernisation grants under Modernisation Scheme of security forces;

(b) if so, whether the Karnataka Government has requested the Central Government to reduce the State's share from 50 to 20 per cent under the Modernisation Scheme;

(c) the amount of modernisation grant sanctioned to Karnataka during 2001-2002 and 2002-2003; and

(d) since the State is finding it difficult to give a matching grant of 50 per cent, will Government take steps to reduce the State's share from 50 to 20 per cent as modernisation of security forces was a matter of national importance?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I.D. SWAMI): (a) to (c) During 2000-01 and 2001-02, modernization plans worth Rs. 165.70 crore and Rs. 153.96 crore respectively in respect of Karnataka were approved. Central share of Rs. 82.85 crore and